



**THOMAS L. GARTHWAITE, M.D.**  
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COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
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March 24, 2005

The Honorable Board of Supervisors  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**REVISED MAXIMUM HOURLY RATE FOR PHYSICIAN RADIOLOGISTS UNDER THE  
SPECIAL MEDICAL SERVICES CONTRACT PROGRAM**

IT IS RECOMMENDED THAT YOUR BOARD:

Delegate authority to the Director of Health Services, or his designee, to increase the maximum hourly rate paid for physician radiology services covered under the Specialty Medical Services Contract Program for Physicians, from \$125.00 per hour to \$225.00 per hour, effective upon Board approval through June 30, 2009.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

King/Drew Medical Center is experiencing significant difficulty in recruiting physician staff to provide radiological services at the hospital. This, along with several other recent actions being undertaken, will assist in the efforts to ensure appropriate clinical coverage in this area. The rate increase will also assist other Department of Health Services (DHS) facilities in obtaining necessary physician radiological services.

FISCAL IMPACT/FINANCING:

Funding to cover the increased maximum hourly rate for physician radiology services is available in the Department's Fiscal Year 2004-05 budget and ongoing funding will be requested in the Department's Fiscal Year 2005-06 budget proposal.

BOARD OF SUPERVISORS

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FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

For the past several years, DHS facilities have encountered increasing difficulty in recruiting and retaining qualified physician radiologists. This problem is particularly acute at King/Drew Medical Center, where the Accreditation Council on Graduate Medical Education (ACGME) stripped the radiology resident training program of its accreditation, resulting in the termination of the program on June 30, 2004. As a result, King/Drew Medical Center not only lost the supplemental coverage that is provided by medical residents, but also several attending physicians have left the facility because it is no longer a training site for radiologists. Presently, close to 50 percent of the physician radiologist positions at King/Drew Medical Center are vacant.

On June 15, 2004, the existing contracts with Reliable Health Care Services and USC Radiology Associates for radiological registry services were renewed effective July 1, 2004 through June 30, 2009 and the hourly rate for physician radiologists was increased from \$125.00 to \$225.00 per hour to bring the County contract rate for this physician specialty in line with that charged by radiologists in non-County facilities.

On June 29, 2004, your Board approved the renewal of the Specialty Medical Services Contract Program for Physicians, effective July 1, 2004 through June 30, 2009, which establishes agreements with individual physician providers to supplement County-employed physicians in areas in which the Department has difficulty recruiting necessary physician coverage or in which a limited amount of service is required. The maximum hourly rate established for these agreements is \$125.00 per hour. These agreements are available for all clinical specialties and subspecialties. These form agreements were approved through June 30, 2009.

Approval of the recommended action would bring the individual contract maximum hourly rate offered by the County for physician radiology services in line with rates charged by both the radiology registry contracts and the private sector. This rate increase will also assist the other DHS facilities in obtaining necessary coverage in this area.

Over the next several months, the Department will be evaluating the contract rates for other hard-to-recruit medical specialties covered under the Specialty Medical Services Contract Program for Physicians in comparison with the private sector rates and will be returning to your Board with recommendations for revised rates in these areas, as appropriate.

Several other efforts are underway to increase the availability of radiology coverage at King/Drew Medical Center. These include the authorization by the Chief Administrative Officer for DHS to pay physician radiologists at this hospital at the top step of the physician pay scale, a 16.5 percent bonus, due to the manpower shortage in this clinical area. Also, the Department is processing for your Board's consideration an agreement with a vendor for overnight "nighthawk" teleradiology services at King/Drew Medical Center.

Honorable Board of Supervisors  
March 24, 2005  
Page 3

DHS has made a determination that the services are of a professional nature and are required on a part-time or intermittent basis. These services will continue to be utilized only for Nighthawk radiology services for which County employees and County re-employment list personnel are not available.

Under the termination provisions of the agreement, the County may terminate the agreement with a 30-day advance written notice to the other party.

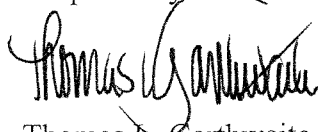
CONTRACTING PROCESS:

It is not appropriate to advertise a contract amendment on the Los Angeles County Online Website as a central business opportunity. However, the Specialty Medical Services Contract Program for Physicians contract is a Board-approved form agreement that can be accessed by qualified providers of the identified services.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Board approval of the recommended action will allow the Department to obtain necessary physician radiology personnel to provide this core clinical service at King/Drew Medical Center and other DHS facilities, as necessary.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas L. Garthwaite".

Thomas L. Garthwaite, MD  
Director and Chief Medical Officer

TLG:pps

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors